





KHEAA/SLP Borrower Incentives and Benefits
COST COMPARISON FOR STUDENT LOANS AND REPAYMENT OPTIONS-2005/2006
 Illustration for Stafford Loans

	Stafford Loan without Incentives		William D. Ford Federal Stafford Loan		The Student Loan People											
																
							RNs, LPNs, LVNs		Special Category Nurses		Teachers		Special Category			
Loan Principal Borrowed	\$10,000		\$10,000		\$10,000		\$10,000		\$10,000		\$10,000		\$10,000		\$10,000	
Origination Fee Charged to Student	3%	\$300	1.5%	\$150	0%	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$0
Guarantee Fee Charged to Student	1%	\$100	1%	\$100	0%	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$0
Principal Disbursed to Student		\$9,600		\$9,750		\$10,000		\$10,000		\$10,000		\$10,000		\$10,000		\$10,000
Post-Disbursement Borrower Benefits:																
• 0.25% ACH payment discount	No		Yes		Yes		Yes		Yes		Yes		Yes		Yes	
• 3.5% Principal Forgiveness after first 30 consecutive, on-time payments	No		No		Yes	(\$350)	Yes	(\$350)	Yes	(\$350)	Yes	(\$350)	Yes	(\$350)	Yes	(\$350)
Additional Benefits:																
• Annual Interest Forgiveness after each year of service in profession*	No		No		No		Yes	(\$1,580)	Yes	(\$1,580)	Yes	(\$1,580)	Yes	(\$1,580)	Yes	(\$1,580)
• Up to 20% Principal Forgiveness after each year of service in profession*	No		No		No		No		Yes	(\$9,650)	No		Yes	(\$9,650)	Yes	(\$9,650)
Interest Paid by Student (10 years @ 3.4%)		\$1,810		\$1,671		\$1,580		\$1,580		\$1,580		\$1,580		\$1,580		1580
Total Cost to Student	\$11,810		\$11,671		\$11,230		\$9,650		\$0		\$9,650		\$0		\$0	
Savings to Student **	\$139		\$581		\$2,160		\$11,810		\$2,160		\$11,810		\$11,810			

* Includes FFELP Consolidation Loans

** Represents the total cost of a Stafford loan utilizing all benefits available as compared to the total cost of a Stafford loan without any borrower incentives.
 The Student Loan People 6/05